



United States Department of Agriculture
Risk Management Agency

November 2008

2009 COMMODITY INSURANCE FACT SHEET

Onions Texas

Crop Insured

The crop insured will be all non-storage or storage type onions grown within the listed counties for which a premium rate is provided on the actuarial table:

- in which you have a share;
- that are planted for harvest as storage or non-storage type onions;
- that are not* interplanted with another crop, unless the crop is a windbreak crop and the windbreak crop is destroyed within 70 days after completion of seeding or transplanting,; or
- that are not* planted into an established grass or legume.

*Unless allowed by the special provisions or by written agreement (see your insurance agent).

Counties Available

| | | |
|---------|---------|----------|
| Cameron | Dimmitt | El Paso |
| Hidalgo | Kleberg | Maverick |
| Pecos | Reeves | Starr |
| Uvalde | Webb | Willacy |
| Zapata | Zavala | |

Causes of Loss

Adverse weather conditions
 Earthquake
 Failure of irrigation water supply¹
 Fire
 Insects²
 Plant disease³
 Volcanic eruption
 Wildlife⁴

¹If caused by an insured peril during the insurance period. ²But not damage due to insufficient or improper application of pest control measures. ³But not damage due to insufficient or improper application of disease control measures. ⁴Unless control measures have not been taken.

Insurance Period

Insurance attaches when the crop is planted on or before the final planting date and ends the earlier of:

- total destruction of the onion crop,
- removal of the onions from the field,
- fourteen days after lifting or digging,
- final adjustment of a loss,
- abandonment of the crop, or
- July 15 of the crop year.

Reporting Requirements

Acreage Report—An acreage report is due to your insurance agent by the acreage reporting date to include all acreage (insurable and uninsurable) in the county in which you have a share.

Notice of Loss— (1) Protect the crop from further damage by providing sufficient care; (2) notify your agent within 72 hours of your initial discovery of damage (but not later than 15 days after the end of the insurance period); (3) notify your agent at least 15 days before any production from any unit will be sold by direct marketing; and (4) leave representative samples intact for each field of the damaged unit.

Important Dates

Sales Closing—El Paso, Pecos, Reeves—February 1
 All other counties.....August 31
 Final Planting & Acreage Reporting—Dates vary by county
 Premium BillingJuly 1
 Final Planting Date for transplanted onions—Consult the county actuarial.

Definitions

Production Guarantee—

- First stage of production guarantee—35 percent of the final stage production guarantee for direct seeded storage and non-storage onions and 45 percent of the final stage production guarantee for

transplanted storage and non-storage onions, unless otherwise specified in the special provisions (see your insurance agent).

- Second stage of production guarantee—70 percent of the final stage production guarantee for direct seeded storage onions and 60-percent of the final stage production guarantee for transplanted storage onions and all non-storage onions, unless otherwise specified in the special provisions (see your insurance agent).
- Final stage of production guarantee—the quantity of onions (in hundredweight) determined by multiplying the approved yield per acre by the coverage level percentage elected.

Final stage—The period extending from the completion of lifting the onions, hand clipping the tops and excessive roots and placing the onions in a bag or container that is acceptable for field drying or curing until the end of the policy.

Price Elections

| Type | Price Election |
|---------|----------------|
| Reds | \$25.75 |
| Whites | \$22.75 |
| Yellows | \$15.00 |

Price elections will be posted on the RMA Web site at:

<http://www3.rma.usda.gov/apps/pricesinquiry/>

Coverage Levels and Premium Subsidies

Coverage level options range from 50 to 75 percent of your average yield. For example, an average yield of 165 cwt per acre would result in a guarantee of 107.25 cwt per acre at the 65-percent coverage level. Crop insurance premiums are subsidized as shown in the following table. For example, if you select the 65-percent coverage level, your premium share would be

| Item | Percent | | | | | |
|--------------------|---------|----|----|----|----|----|
| Coverage Level | 50 | 55 | 60 | 65 | 70 | 75 |
| Premium Subsidy | 67 | 64 | 64 | 59 | 59 | 55 |
| Your Premium Share | 33 | 36 | 36 | 41 | 41 | 45 |

41 percent of the base premium:

Catastrophic (CAT) coverage is fixed at 50 percent of average yield and 55 percent of the price election. CAT is 100 percent subsidized with no premium cost to you. There is, however, an administrative fee of \$100 per county, regardless of the acreage.

Replant Provisions

(Not available under catastrophic coverage)

A replanting payment is allowed if the crop is damaged by an insurable cause to the extent that the remaining stand will not produce at least 90-percent of your final stage production guarantee for the acreage and it is practical to replant.

Loss Example

This example is based on 65-percent coverage level, 100-percent price election, and average yield of 165 hundredweight (cwt) per acre.

$$\begin{array}{r}
 165 \text{ cwt/acre average yield} \\
 \times .65 \text{ coverage level} \\
 \hline
 107.25 \text{ cwt/acre guarantee} \\
 - 50.00 \text{ cwt/acre produced} \\
 \hline
 57.25 \text{ cwt/acre loss} \\
 \times \$15.00 \text{ price election} \\
 \hline
 \mathbf{\$858.75 \text{ Indemnity per acre}}
 \end{array}$$

Download Copies from the Web

Visit our online publications/fact sheets page at:
http://www.rma.usda.gov/aboutrma/fields/ok_rso/

The U.S. Department of Agriculture (USDA) prohibits discrimination in all its programs and activities on the basis of race, color, national origin, age, disability, and where applicable, sex, marital status, familial status, parental status, religion, sexual orientation, genetic information, political beliefs, reprisal, or because all or part of an individual's income is derived from any public assistance program. (Not all prohibited bases apply to all programs.) Persons with disabilities who require alternative means for communication of program information (Braille, large print, audiotape, etc.) should contact USDA's Target Center at (202) 720-2600 (voice and TDD).

To file a complaint of discrimination, write USDA, Director, Office of Civil Rights, 1400 Independence Avenue, SW, Washington, DC 20250-9410 or call (800) 795-3272 (voice) or (202) 720-5964 (TDD). USDA is an equal opportunity provider and employer.